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Director of Central Intelligence
Assistant Director for Operations
FBIS Communications

1. FBIS traffic originating in London and Cairo totals approximately 35,000 words daily which is normally transmitted over Army communications facilities.

2. The FBIS-BBC reciprocal agreement was entered into with the understanding that FBIS could transmit from Washington to London approximately 25,000 words daily over Army communications facilities. In accordance with this agreement, FBIS is now transmitting 5,000 words daily from Washington to London over Army communications facilities.

3. During Army communications outages, which until recently were infrequent, the Western Union cable service was used for London to Washington traffic. The cost of this service for the fiscal year 1948 was \$4,105.50. With what was thought to be an adequate safety margin, \$50,000 was requested for the fiscal year 1949 for this service. Recently, however, major outages in the Army communications circuits have forced FBIS to utilize Western Union facilities to a much greater extent than could normally be expected. In the interest of economy the wordage cabled from London has been considerably reduced. This, together with the uncertainty of communications, has seriously interfered with the effectiveness of the FBIS operation and has resulted in the expenditure of approximately \$20,000 during this fiscal year.

4. Discussions with authorities in the Army communications service indicate that no immediate relief from the present situation can be expected. Based upon the cost to date of Western Union cable service it will be necessary for the allocation for this purpose to be increased to approximately \$75,000 for the fiscal year 1949, excluding Washington to London traffic filed in accordance with the FBIS-BBC reciprocal arrangement.

5. If the present difficulties in filing traffic from Washington to London continue, it is probable that the BBC will not be satisfied to receive our file via Army communications channels, in which case it will be necessary to find alternate means of transmitting this file in order for FBIS to fulfill its part of this agreement.

6. It is recommended that the present allocation of \$50,000 in the FBIS budget be increased to \$75,000 for commercial communication facilities between Washington and London.

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